

SENATE BILL No. 353

DIGEST OF INTRODUCED BILL

Citations Affected: IC 34-55-10-2.

Synopsis: Bankruptcy exemption for Roth IRAs. Expands the bankruptcy exemption for retirement plans to include Roth IRAs.

Effective: July 1, 2005.

Broden

January 11, 2005, read first time and referred to Committee on Judiciary.

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Introduced

First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

SENATE BILL No. 353

A BILL FOR AN ACT to amend the Indiana Code concerning civil law and procedure.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 34-55-10-2 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) This section does
3 not apply to judgments obtained before October 1, 1977.
4 (b) The following property of a judgment debtor domiciled in
5 Indiana is not subject to levy or sale on execution or any other final
6 process from a court, for a judgment founded upon an express or
7 implied contract or a tort claim:
8 (1) Real estate or personal property constituting the personal or
9 family residence of the judgment debtor or a dependent of the
10 judgment debtor, or estates or rights in that real estate or personal
11 property, of not more than seven thousand five hundred dollars
12 (\$7,500). The exemption under this subsection is individually
13 available to joint judgment debtors concerning property held by
14 them as tenants by the entireties.
15 (2) Other real estate or tangible personal property of four
16 thousand dollars (\$4,000).
17 (3) Intangible personal property, including choses in action (but



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excluding debts owing and income owing), of one hundred dollars (\$100).

(4) Professionally prescribed health aids for the judgment debtor or a dependent of the judgment debtor.

(5) Any interest that the judgment debtor has in real estate held as a tenant by the entirety on the date of the filing of the petition for relief under the bankruptcy code, unless a joint petition for relief is filed by the judgment debtor and spouse, or individual petitions of the judgment debtor and spouse are subsequently consolidated.

(6) An interest, whether vested or not, that the judgment debtor has in a retirement plan to the extent of:

(A) contributions, or portions of contributions, that were made to the retirement plan

(i) by or on behalf of the debtor and **that:**

(ii) ~~which~~ **(i)** were not subject to federal income taxation to the debtor at the time of the contribution; **or**

(ii) were made to an individual retirement account within the limitations of Section 408A of the Internal Revenue Code;

(B) earnings on contributions made under clause (A) that are not subject to federal income taxation at the time of the judgment; and

(C) roll-overs of contributions made under clause (A) that are not subject to federal income taxation at the time of the judgment.

(7) Money that is in a medical care savings account established under IC 6-8-11.

(c) The total value of the property exempted under subsection (b)(1) through (b)(3) may not exceed ten thousand dollars (\$10,000).

(d) Real estate or personal property upon which a debtor has voluntarily granted a lien is not, to the extent of the balance due on the debt secured by the lien:

(1) subject to this chapter; or

(2) exempt from levy or sale on execution or any other final process from a court.

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